

Weekly Hot News Update

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On the Hill

Here's what we're tracking this week for EUCOM.

Bills of Interest:

HR 2003 - Ethiopia Democracy and Accountability Act of 2007

- This bill would encourage and facilitate consolidation of security, human rights, democracy, and economic freedom in Ethiopia. This would include counter terrorism and counter narcotics efforts.
- This bill was introduced in the House and referred to the Committee on Foreign Affairs.
- This bill was received in the Senate and referred to the Committee on Foreign Relations, after passage in the House on October 3.

HR 2228 - Ethiopia Freedom, Democracy and Human Rights Bill

- Closely related to HR 2003 this bill would also encourage the development of Ethiopia while also implementing counter terrorism and counter narcotics efforts.
- This bill was introduced in the House and referred to the Committee on Foreign Affairs.

HR 2446 - Afghanistan Freedom and Security Support Act of 2007

- This bill provides funding for programs to stabilize Afghanistan and counter the drug trade.
- This bill passed the House and was sent to the Senate, which referred it to the Committee on Foreign Relations. Star Print ordered July 17, 2007.

S 3001 - National Defense Authorization Act of 2009 (House version)

- This bill authorizes military activities and programs and DoD-wide programs for 2009.
- The bill was passed by both House and Senate committees, and sent to the White House for Presidential signature September 27, 2008.

HR 2638 - Department of Defense Appropriations Act of 2009

- This bill authorizes Department of Defense activities and programs for FY 2009.
- The bill was attached to the Department of Homeland Security Appropriations Act of 2008 to continue appropriations for Department of Defense activities and programs that would be covered by the regular fiscal year 2009 appropriations bills.

Hearings of Interest:

There are no hearings of interest scheduled for this week.

Whispers from Congress:

With Congress mostly out of session until after the New Year, life around Capitol Hill will be relatively quite for the next few months. The Senate will be meeting in pro forma sessions and possibly holding some hearings during the interim period. There is some talk, however, of a lame-duck session in the works, mostly coming from rumors of yet another economic stimulus package. Amidst the deepening financial crises (the Federal Reserve and Treasury solutions for which are yet to be tested), some in Congress are calling for another package designed to help ameliorate strains in the economy. Some Democrats in Washington, concerned that consumer spending will decline heavily as a result of the growing financial slowdown, are reported to be 'seriously considering' another stimulus package. According to House Financial Services Chairman Barney Frank (D-MA), this proposal could be 'far greater' than the \$60 billion USD package signed earlier in September. House leadership is reported to have met with several economists to debate the idea. The concerns about consumer spending are valid; less spending

means less company profits which means company downsizing. This could also lead to smaller tax revenues which ultimately lead to cutting government programs. Many conservatives would argue that another spending package, paid for with tax revenue, would not only add to the ballooning deficit but could be spent inefficiently. Additionally, if the package consists of a rebate, in a time of financial security, recipients may not spend the money on consumer items, but would pay off debt or simply pack away cash for a rainy day. In any case, a lame duck session following the elections would be required to push such a package through. Congress may meet to vote and debate a stimulus bill for a few weeks between the elections and Thanksgiving...if not then, perhaps during some period in December. Again, like anything in Washington this year, how the elections turn out and how the economy transforms in the coming months will largely determine the course of Congressional action.

Inside the Administration

Throughout the last week, Secretary of Defense Robert Gates urged NATO to take a more active role in combating the narcotics trade in Afghanistan. His prodding actually resulted in gaining some traction though many European members continue to balk at the idea. Germany, Italy and Spain are amongst the most hesitant of NATO members. Nevertheless, on Friday October 10th, NATO defense ministers agreed to allow IASF forces to take a more active role in tackling the Afghan heroin/opium trade. In two days worth of discussions, Secretary Gates enunciated the need not to develop a U.S. counter-narcotics strategy but to be given more freedom to track down the networks of those directly responsible for funding the Taliban and Al-Qaeda with narcotics profits. It's estimated that the Taliban reap between \$60 and \$80 billion USD from the drug trade. Secretary Gates ruled out an eradication policy but did recognize corruption levels within the Afghan government and the inextricable link between government corruption and the opium business. Needless to say, any strategy to combat the drug trade in Afghanistan must take in the enormous Afghan regional and political complexities but the fact that NATO has given its blessing may be a sign that drug trade is finally being recognized as a serious security concern. Additionally, in Afghanistan and other regions, recognizing and exposing the links between transnational organized crime, drugs and militant insurgencies is critical to building and implementing a successful overall security strategy. From the outside view, this may signal a possible shift in defense policy regarding the drug trade...in other words, if the drug trade in a particular region is demonstrated to be a significant enough threat to national security interests, there may be a greater willingness to confront it with operational, hard-power strengths and assets. That being said, this could all change after November 4th.

Washington Influences

Russian activities in the last six months have earned more than a modicum of world interest and attention. In one of the latest editions of its Eurasian Daily Monitor publication, the Jamestown Foundation has detailed what could be a growing level of cooperation between Russia and OPEC. The article was published after OPEC's September conference, which was attended by a 20 person delegation from Russia. The source indicates that the Russian party was led by the head of ROSNEFT, one of Russia's largest oil companies. The article provides a number of important points including the potential grounds for Russian participation in the cartel and how a Russian seat in OPEC would or would not be mutually beneficial for Russia and the organization. The article also touches on what may have prompted Russia to increase dialog with current OPEC members. Additionally, the article provides an intriguing set of connections between Russian energy oligarchs, former KGB players, post-Soviet era weapons exports and infamous arms-traffickers like Viktor Bout. Incidentally, Bout is still being held in Thailand...Russia has been actively lobbying for his extradition. Many have suspected that Russia aims to retrieve Bout for fear that he could uncover a number of highly damaging connections between senior Russian officials and organized crime. Another interesting potential is presented in the article; this being the creation of a Russian-led natural gas cartel. The author notes that Russia has entertained the idea of a gas cartel for several years but

recent outreach to OPEC may be an indication that Russia is getting closer to actually creating the organization. Other suggested participants in a gas-cartel would include Venezuela, Qatar and Iran. The idea has merit given the increased assistance that Russia has provided to various natural gas giants and Russia's willingness to use energy as a tool of political extortion and a weapon for both regional and strategic gain.

To access the entire article, please access the following link. http://www.jamestown.org/edm/article.php?article_id=2373361

Around the Corner

Russia has made a number of interesting gambits within the last several months that pique curiosity. Besides the Georgia war, some of Russia's other recent maneuvers include: the Cold-War style combined-arms (including nuclear deterrent) war games currently being played throughout the country; Russian ships in the Caribbean (to conduct joint exercises with Venezuela); Russian ships steaming to the Somalia coast (a nationalistic pledge to protect Russian citizens anywhere in the world); and the restructuring of the Russian interior ministry (a shift from fighting organized crime to 'extremism'). All of these moves offer plenty of food for thought. It's almost certain that strategic operations within Russia's immediate sphere are part of a larger scheme to build control over energy fields, transit zones and markets and for Russia to maintain what it views as a "balance of power". For example, the multiple ICBM missile tests over the last few days (launched from both sea and land platforms) have been cited as part of a retaliatory response to U.S. missile defense plans for Eastern Europe. In fact, the war-game exercises conducted by Russia have been described by military experts as being the largest strategic war-games since the early 1980's, a high point in the Cold War. At this time however, most analysts agree that militarily, the Russian bark is worse than its bite. Among other factors, this is based on the uneasy state of Russia's economy (destabilized further by falling crude prices and a global economic freeze), declining Russian population and the current state of Russia's military. Its troops are undisciplined, retention rates are low, desertion rates are high, military pay is dismal and levels of crime, corruption, drug abuse and HIV/AIDS within the ranks is heavy. Technologically speaking, Russia is still several steps behind the U.S. Nonetheless, Russia's ability to hold ground in the energy field remains its true weapon. Furthermore, Russia's willingness to connect with mutual partners that are ambivalent, antagonistic or hostile to U.S. interests (like Iran and Venezuela) presents the most challenge. All of this is to say that despite some weaknesses. Russia should not be discounted. Interestingly, some of Russia's global moves have stretched into the counter-drug/crime/terror realm as well. For example, while Russian-Venezuelan collaboration is largely built on mutual energy and anti-U.S. interests, Russia has recently increased dialog with both Colombia and Bolivia as well. In the case of Colombia, reports indicate that it is Russia that has reached out to Colombia, volunteering to help curb the flow of cocaine from the Andes region to Europe and Russia. Sources indicate that joint operations and mutual exchanges of officers are both on the table of options. In Bolivia's case, media sources from within the country have recently indicated that they may actually turn to Russian aid in combating narcotics if relations with the U.S. continue to strain. Bolivian authorities contend that if \$26 million USD worth of aid from the U.S. is lost, they may turn to Russia (and others) for assistance. There are always multiple sides to any issue and examining potential ulterior motives is always a necessary exercise. Closer dealings between Russia and the Andean nations on the narcotics problem may actually be part of scheme to build closer ties in other areas, like Western Hemisphere influence and energy issues. While bilateral negotiations always involve some quid pro quo elements, current Russian moves are loaded with mutual exchange. There are other things to consider regarding the Russia/Colombia drug cooperation. Namely, there is a great chance of the upcoming U.S. elections resulting in dynamic shifts in both the administration and Congress. With Democrats taking a majority on the hill, the likelihood of a U.S. free trade agreement with Colombia being pushed through may be greatly diminished...thus Colombia may be placing its money on some other partner or donor...possibly Russia. Additionally, it would not be unreasonable to expect a Russian/Venezuelan counter-drug relationship to develop. And, Russian counter-drug

assistance to willing African partners in exchange for other concessions may be further down the road as well. In the end, these Russian overtures may also actually be a lot of geopolitical window-dressing, hypothetical ultimatums or strategic bluffs. Needless to say, all situations should be watched. TCG will continue to monitor Russia and provide information as it emerges.

Selected News for EUCOM

- Interpol and UN Create Anti-Corruption School
- NATO Allows Strikes on Afghan Drug Sites
- War on Drugs Turns Bloody
- Russia Wants to Work with Colombia Against Drug Trade
- Bolivia May Turn to Russia for Anti-Drug Funding, La Razon Says
- Security Heads Target Transnational Crime

The Lighter Side

Quote of the Week

"A word to the wise ain't necessary - it's the stupid ones that need the advice." ~Bill Cosby

"The best argument against democracy is a five-minute conversation with the average voter."

~Winston Churchill

Prediction of the Week

The Kansas City Chiefs, with a 1 - 4 win-loss record will face the Tennessee Titans, the only remaining undefeated NFL team, on Sunday October 19th. Both teams come off a bye week but following this season's track record of unthinkable upsets and last minute field goal victories, the Chiefs will pull the upset win with a field goal. Final score: Chiefs 20 - Titans 17.

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